PLAINS ALL AMER. NYSE-PAA

RECENT PRICE 29.07 | P/E RATIO 37.3 (Trailing: 83.1 Median: 18.0) | RELATIVE P/E RATIO 1.95 | DIV'D YLD 9.6% | VALUE LINE

High:	24.1	26.6	32.6	26.2	26.7	32.6	36.8	47.1	59.5	61.1	52.7	30.3
Low:	18.3	19.3	23.1	11.6	17.0	22.1	27.5	34.7	45.9	43.6	17.8	14.8

Target Price Range 2019 | 2020 | 2021

TIMELINESS 2 Raised 8/19/16
SAFETY 3 Lowered 9/4/15
TECHNICAL 3 Raised 8/5/16
BETA 1.20 (1.00 = Market)

2019-21 PROJECTIONS

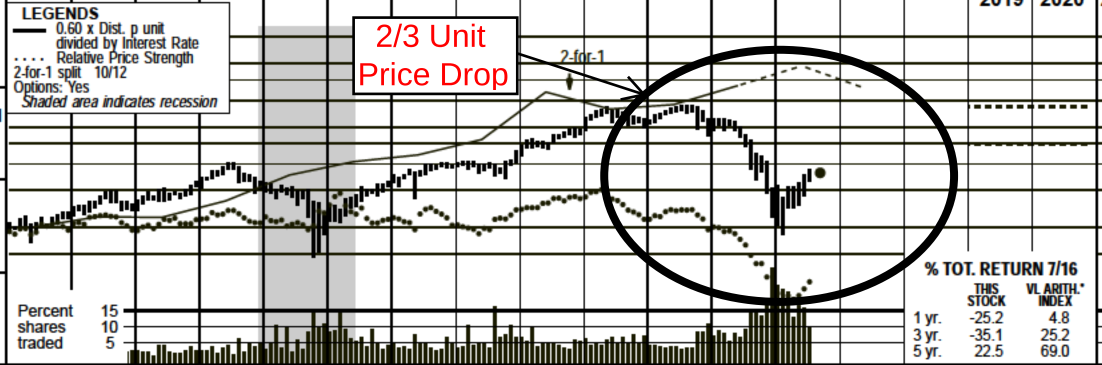
	Price	Gain	Ann'l Total Return
High	60	(+105%)	25%
Low	40	(+40%)	15%

Insider Decisions

	O	N	D	J	F	M	A	M	J
to Buy	0	0	1	0	2	0	0	0	0
Options	0	0	0	0	0	0	0	0	0
to Sell	0	1	0	0	0	0	0	0	0

Institutional Decisions

	3Q2015	4Q2015	1Q2016
to Buy	190	135	149
to Sell	266	300	228
Hld's(000)	245949	254699	256734



% TOT. RETURN 7/16

	THIS STOCK	VL ARITH.* INDEX
1 yr.	-25.2	4.8
3 yr.	-35.1	25.2
5 yr.	22.5	69.0

Plains All American Pipeline, L.P., constructed its first pipeline terminal in 1993. It acquired Plains Resources' oil pipeline business in September, 1998, in a deal that set the stage for he new company's IPO. On November 17, 1998, Plains All American Pipeline completed its initial public offering as a master limited partnership. Under lead manager Salomon Smi h Barney, 26.18 million units were offered at $10.00 per unit (adjusted for October 2012 split).

2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	© VALUE LINE PUB. LLC	19-21
102.57	87.92	122.29	68.02	91.69	110.30	112.73	117.64	115.87	58.21	47.10	56.40	Revenues per Unit	105.90
2.05	2.35	2.64	2.91	3.01	3.91	4.70	4.83	4.73	3.36	2.05	2.35	"Cash Flow" per Unit	4.55
1.75	1.26	1.48	1.57	1.52	2.44	2.40	2.80	2.38	.77	.55	1.15	Earnings per Unit A	3.00
1.44	1.64	1.75	1.81	1.88	1.96	2.11	2.33	2.55	2.76	2.80	2.80	Dist. Decl'd per Unit B	2.80
1.56	2.36	2.40	1.69	1.60	2.04	3.59	4.49	5.15	5.23	3.40	2.70	Cap'l Spending per Unit	2.50
13.60	14.76	14.45	15.28	16.19	19.22	21.31	21.45	21.68	19.82	21.90	20.40	Book Value per Unit C E	20.70
218.81	231.96	245.82	272.27	282.40	310.75	335.28	359.13	375.11	397.73	410.00	415.00	Units Outstanding D	425.00
13.1	22.5	14.8	14.0	19.6	13.0	17.5	19.1	23.2	NMF	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	16.0
.71	1.19	.89	.93	1.25	.82	1.11	1.07	1.22	NMF			Relative P/E Ratio	1.00
6.3%	5.8%	8.0%	8.2%	6.3%	6.2%	5.0%	4.3%	4.6%	6.9%			Avg Ann'l Dist. Yield	5.6%
22444	20394	30061	18520	25893	34275	37797	42249	43464	23152	19320	23400	Revenues ($mill)	45000
2.3%	3.4%	2.7%	5.4%	4.3%	4.5%	5.0%	5.0%	5.0%	7.1%	3.0%	5.0%	Operating Margin	8.5%
100.4	180.0	211.0	236.0	256.0	249.0	482.0	375.0	392.0	432.0	600	500	Depreciation ($mill)	650
348.8	365.0	437.0	555.0	594.0	966.0	1094.0	1361.0	1384.0	903.0	250	475	Net Profit ($mill)	1275
.1%	4.2%	1.8%	1.2%	--	4.3%	4.6%	6.6%	11.0%	9.9%	5.5%	10.0%	Income Tax Rate	7.0%
1.6%	1.8%	1.5%	3.0%	2.3%	2.8%	2.9%	3.2%	3.2%	3.9%	1.3%	2.0%	Net Profit Margin	2.8%
132.9	d56.0	d364.0	d124.0	166.0	d160.0	d36.0	d447.0	d576.0	d438.0	d300	d700	Working Cap'l ($mill)	d600
2626.3	2624.0	3259.0	4142.0	4631.0	4520.0	6320.0	6715.0	8762.0	10375	9300	9300	Long-Term Debt ($mill)	11500
2976.8	3424.0	3552.0	4159.0	4573.0	5974.0	7146.0	7703.0	8133.0	7881.0	8975	8475	Partners' Capital($mill) E	8800
6.8%	7.3%	7.8%	7.9%	7.5%	10.2%	9.1%	10.5%	9.1%	6.1%	2.5%	4.0%	Return on Total Cap'l	8.5%
11.7%	10.7%	12.3%	13.3%	13.0%	16.2%	15.3%	17.7%	17.0%	11.5%	3.0%	5.5%	Return on Partners'Cap'l E	14.5%
2.9%	NMF	NMF	NMF	NMF	2.9%	1.7%	2.0%	NMF	NMF	NMF	NMF	Retained to Part.'s Cap	1.0%
75%	124%	122%	109%	115%	82%	89%	89%	102%	120%	NMF	NMF	All Dist. to Net Prof	93%

CAPITAL STRUCTURE as of 6/30/16
Total Debt $10788 mill. **Due in 5 Yrs** $2525 mill.
LT Debt $9486 mill. **LT Interest** $425 mill.
(47% of Cap'l)
Leases, Uncapitalized: Annual rentals $200 0 mill.

No Defined Benefit Pension Plan

Limited Partners' Units 397,736,728 units as of 8/1/16 (45% of Cap'l)
Includes $1.57 billion or 61 mill. units of 8% preferred convertible $26 25 after 1/28/18.
General Partners (8% of Cap'l)
MARKET CAP: $11.6 billion (Large Cap)

CURRENT POSITION ($MILL.)	2014	2015	6/30/16
Cash Assets	403	27	34
Receivables	2615	1785	2015
Inventory (Avg Cst)	891	916	1085
Other	270	241	469
Current Assets	4179	2969	3603
Accts Payable	2986	2038	2332
Debt Due	1287	999	1302
Other	482	370	395
Current Liab.	4755	3407	4029

ANNUAL RATES of change (per unit)	Past 10 Yrs.	Past 5 Yrs.	Est'd '13-'15 to '19-'21
Revenues	-5.0%	.5%	1.5%
"Cash Flow"	9.5%	8.5%	1.0%
Earnings	5.5%	5.5%	7.0%
Distributions	8.0%	7.0%	1.5%
Book Value	10.0%	6.5%	Nil

Cal-endar	QUARTERLY REVENUES ($ mill.) Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2013	10620	10295	10703	10631	42249
2014	11684	11195	11127	9458	43464
2015	5942	6663	5551	4996	23152
2016	4111	4950	5359	4900	19320
2017	6000	5300	5700	6400	23400

Cal-endar	EARNINGS (PER UNIT) A Mar.31	Jun. 30	Sep. 30	Dec. 31	Full Year
2013	1.27	.57	.38	.58	2.80
2014	.74	.45	.52	.67	2.38
2015	.35	d.06	.24	.24	.77
2016	.07	d.20	.23	.45	.55
2017	.30	.10	.25	.50	1.15

Cal-endar	QUARTERLY DIST. (PER UNIT) B Mar.31	Jun.30	Sep.30	Dec.31	Full Year
2012	.513	.523	.533	.543	2.11
2013	.5625	.575	.588	.60	2.33
2014	.615	.63	.645	.66	2.55
2015	.675	.685	.695	.70	2.76
2016	.70	.70	.70		

$0.70 Distribution

BUSINESS: Plains All American Pipeline, L P., is a publicly traded master limited partnership which operates through various subsidiaries. It engages in the transportation, storage, terminaling, and marketing of crude oil, refined products, and liquefied petroleum gas. The company owns or leases approximately 18,144 miles of active pipelines and gathering systems. Storage capacit 25 million barrels of natural gas liquids (NGL) storage facilities; approximately 80 million barrels of crude oil and refined products; 97 Bcf natural gas. Has a 50% ownership in PAA/Vulcan Gas Storage LLC. Has 5,400 employees. Chairman & Chief Executive Officer: Greg L. Armstrong. Address: 333 Clay Street, Suite 1600, Houston, TX 77002. Tel.: 713-646-4100. Internet: www.plainsallamerican.com.

Units of Plains All American Pipeline continue to recover strongly. For the second-straight three-month period, units of the Master Limited Partnership (MLP) outperformed the market. This time the advance was nearly 25%. Year to date, the partnership has nearly doubled off of its 2016 low price.

Under the partnership's current business structure, we think the generous distribution is safe. Over the past two years, Plains has been paying out more in quarterly outlays than funds it has been able to generate internally. Even though the energy markets have been struggling, oil and gas prices have been rising of late. As of now, we believe the odds are fairly low that Plains cuts the payout. This, of course, is based upon the partnership as it is now configured.

The General Partners have just announced a very complicated new "Simplification Process." Basically, the holding company, Plains AAP, a controlled affiliate of Plains GP Holdings, will stop receiving IDRs (Incentive Distribution Rights) from Plains All American. In exchange for forgoing this income, Plains AAP will receive 245.5 million of new units of PAA, as well as having PAA assume $593 million of AAP's debt. Following the transaction AAP is expected to own about 35% of PAA's total equity.

We are not completely sold on the deal. MLPs have notoriously opaque ownership structures. While we generally agree that eliminating General Partners interests' and IDRs benefit the average unit- holders, the price being paid here may be too high. In any case, the board expects the merger to close in the fourth quarter. In addition, the partnership has also announced that should the proposal be approved, the new entity would pay a quarterly share distribution of $0.55 per unit, down from $0.70. *(Please note: Our presentation does not yet include the proposed merger.)*

These units have vaulted to a 2 (Above Average) for Timeliness. In our June report, PAA held a rank of 5 (Lowest). And, although the issue's total return potential to 2019-2021 is compelling, we caution that the aforementioned transaction adds an element of risk.

James A. Flood *September 2, 2016*

(A) Represents egs. per diluted unit. Excl. non-rec. losses: '06, ([illegible]); '07, (28¢); '08, (15¢); '12, (95¢), '13, (30¢). Next egs. report due mid-November. Earnings may not sum due to change in units outstanding. (B) Historically distributions paid mid-Feb., [illegible] November. Limited partne[illegible] tax implications; unit holde[illegible] tax accountant. (C) Includes intang. As of [illegible]30/16: $2.4 bill./$6.02 unit. (D) In millions, [illegible]dj. for split. (E) Includes $1.57 bill of preferred equity.

Company's Financial Strength	B+
Stock's Price Stability	30
Price Growth Persistence	45
Earnings Predictability	45